GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:3320
ANSWERED ON:06.09.2007
DOMESTIC LPG CONSUMERS IN KARNATAKA
Reddy Shri Karunakara G.

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the number of domestic LPG consumers in Karnataka;

(b) the number of LPG consumers in Bangalore city;

(c) the quantum in metric tonnes of cooking gas required every month;

(d) whether there is any shortage of domestic LPG in Karnataka;

(e) whether the new domestic LPG connections have been stopped in Karnataka;

(f) whether Government are aware that nearly 25 per cent of the LPG meant for domestic consumption is being diverted to hotels, restaurants and automobile filling stations; and

(g) if so, the steps taken to stop this pilferage?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) & (b): As on 1.7.2007, Public Sector Oil Marketing Companies (OMCs) were serving 5284094 customers in the State of Karnataka. Out of the above 1986369 customers were in Bangalore city.

(c): The estimated requirement of LPG in the State of Karnataka & Bangalore city is 50,337 MTs & 18,686 MTs per month respectively.

(d): At present, there is no overall shortage of LPG in the country including the State of Karnataka and LPG supplies to distributors are being made by the Public Sector Marketing Companies (OMCs) through indigenous production and imports in accordance with the genuine demand of customers registered with the LPG distributors.

(e): No, Sir.At present, new LPG connections are available across the counter for genuine domestic customers and there is no waiting list for release of new connections in Karnataka.

(f): OMCs have reported that they do not have data about the percentage diversion of domestic LPG in the country. However, few instances of diversion of domestic LPG for commercial use have come to the notice of OMCs.

(g): Action against the erring distributors is taken in accordance with the provisions under the LPG Marketing Discipline Guidelines (MDG). In addition to the action taken by the OMCs under the MDG, State Governments are empowered to take action against illegal use of domestic LPG.

The following measures have been taken to prevent the diversion / black marketing of domestic LPG cylinders for commercial purposes :

i) Under the LPG (Regulation of Supply and Distribution) (Order, 2000 promulgated under the Essential Commodities Act, 1955 the diversion / black marketing of domestic LPG cylinders for commercial purposes by the distributors of OMCs is prohibited. The State Governments are empowered to take action against erring distributors under the provisions of this Order. The State Governments have been alerted from time to time to take steps against the diversion of domestic cylinders for unauthorized usage.

(ii) The officials of OMCs carry out random checks at distributors godown, delivery point, as well as en-route to ensure that no diversion / black marketing takes place.In terms of the MDG, in case of establishment of any diversion / black marketing of domestic LPG cylinder for commercial purposes, the following action is taken against the distributor :-

Fine of Rs. 20,000 plus the price of LPG diverted at commercial rates for 1st offence.

Fine of Rs. 50,000 plus the price of LPG diverted at commercial rates for 2nd offence, and

Termination of the distributorship for 3rd offence.

(iii) Government have issued advertisements cautioning the public that use of domestic LPG for non-domestic purposes is illegal, dangerous and against national interest. Through these advertisements, cooperation of the general public has also been sought to report any irregularity/malpractice to the OMCs.

(iv) Government have advised OMCs to introduce different colours for domestic & non- domestic cylinders.This is expected to help in controlling the diversion of domestic LPG for unauthorized use.